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1   IN THE UNITED STATES DISTRICT COURT
                     FOR THE EASTERN DISTRICT OF VIRGINIA
2   RICHMOND DIVISION

3   _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _
                                          :
4   ePLUS, INC.,   :
                                          :
5   Plaintiff,   :
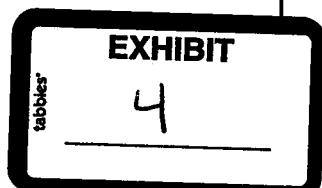   v.   :   Civil Action
6   :   No. 3:09CV620
         LAWSON SOFTWARE, INC.,   :
7   :   January 6, 2011
                           Defendant.   :
8   _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _ _:

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11   COMPLETE TRANSCRIPT OF **JURY TRIAL**
                 BEFORE THE HONORABLE ROBERT E. PAYNE
12   UNITED STATES DISTRICT JUDGE, AND A JURY

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15   APPEARANCES:

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25   OFFICIAL COURT REPORTER
                     UNITED STATES DISTRICT COURT

EXHIBIT
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1   sending requisitions to an individual vendor to get

2   quotes. So it's a convenience and a time saver and a

3   cost saver if I can put all of the items that I want

4   to order on a single requisition.

5   And then in this case because it's computerized,

6   the purchase order module can look at the requisition

7   and look at that single requisition and divide it into

8   purchase orders automatically. So the single

9   requisition is a big deal.

10 Q   What's a nonstock item, sir?

11 A   Well, that's something that the company does not

12 have in stock and so it's bought from an external

13 vendor.

14 Q   This ability to buy various items from various

15 vendors and place them on a single requisition, is

16 that included in any of the claim elements that you

17 have examined?

18 A   Yes, it is.

19 Q   Can you give us just an example. Can I look at

20 Claim Three of the '683 patent?

21 A   Sure.

22 Q   Tell us where that particular feature is.

23 A   Sure. That is being color-coded in blue. Means

24 for building a requisition using data related to

25 selected matching items and their associated sources.

1   Q   So we could have a requisition with matching items

2   from more than one source; is that right?

3   A   That's right.

4   Q   Is that consistent with the representation that

5   Lawson is making in its response to a request for

6   proposal on page 868 of Plaintiff's Exhibit 219?

7   A   Yes, it is.   It's talking about nonstock items on

8   a single requisition.

9   Q   Can you take a look at the next page titled

10   "Inventory Control."   Is the inventory control module

11   one of the modules you examined in conducting your

12   infringement analysis?

13   A   Yes, it is a third module in the procurement

14   suite.

15   Q   Is there anything you'd like to direct us to here?

16   What does the inventory control module permit you to

17   do?

18   A   Yes.   The introductory sentence there explains

19   what's going on.   Inventory control enables you to

20   effectively monitor and manage inventory throughout

21   the organization.   It's flexible design and complete

22   integration with requisitions and purpose order

23   applications help facilitate a smooth flow of

24   information and products.

25   So, again, this inventory control is one of the

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1   program and gives it a search query or initiates a

2   search using a characteristic of a drop down menu.

3   And the search engine then engages and returns items

4   that match the query.

5   Q   Did you examine a Lawson software program that

6   permits a user of a Lawson system to perform that

7   functionality?

8   A   Yes, the requisitioning system does that.

9   Q   You have building a requisition icon here. Do you

10 see that?

11 A   Yes.

12 Q   Please explain what you're intending to illustrate

13 there?

14 A   So in the Lawson system you build a shopping cart,

15 then you add and delete items from it until you're

16 satisfied with it. And then you do a checkout from

17 the Lawson system. And that engages the requisition

18 system and builds the requisition of all the items

19 that you want to order.

20 Q   Are you familiar with the term "a shopping cart"?

21 A   Yes.

22 Q   Is that consistent with your understanding of

23 building a requisition?

24 A   Well, it's not the requisition. It's the data

25 structure that can be modified. You can add and

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1   delete to it. So in computer terminology, we call

2   this a cache, a C-A-C-H-E. So it's a data structure

3   that holds data, and then it's going to be transferred

4   to the requisition module, and it's in the requisition

5   module that the requisition is created.

6   Q   All right. Thank you for that correction. So is

7   it consistent with an order list?

8   A   The order list is the shopping cart and that's

9   what becomes the requisition.

10 Q   Did the Court define what an order list is in its

11 glossary of claim terms?

12 A   Yes. A list of desired catalog items.

13 Q   Did you apply that construction in doing your

14 infringement analysis?

15 A   Absolutely.

16 Q   Next you have an icon for generating purchase

17 orders. Do you see that as part of the overview of

18 the Lawson procurement system?

19 A   Yes.

20 Q   Can you explain that process here?

21 A   So we've got our requisition. This is our formal

22 list of the things we want to buy. It might have one

23 item. It might have a hundred items. The items might

24 be from one vendor or they might be from 100 vendors.

25 Whatever that requisition says, the purchase order

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1   the '70s, but the overall components of this system,

2   they haven't been available since the '70s, have they?

3   A   I don't think so.

4   Q   And you can take known technology and combine it

5   to come up with something new and useful; is that

6   right, Doctor?

7   A   Sure.

8   Q   The converting icon, I think you talked a little

9   bit about this, but in the Lawson system, how do they

10 perform this functionality of the conversion to find

11 similar, identical or generally equivalent items?

12 A   I mentioned these UNSPSC codes. So I'll explain

13 later in detail what they mean, but the gist of it is

14 that by using an 8-digit code, you are drilling down

15 to what's going to be called the commodity level of

16 information. And if multiple items have this same

17 8-digit code, then by the definition of the code they

18 are generally equivalent and substitutable.

19   So the Lawson system uses this UNSPSC code in

20 order to accomplish that task.

21 Q   So now that you have discussed sort of the overall

22 functionality of the system in general terms and how

23 it can perform it, you identified various software

24 programs or modules that Lawson offers to do that

25 functionality. Can they be configured in various

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1   vendor.

2   Q   What information about the items is maintained in the item

3   master?

4   A   So that would be things like item number, the item

5   description, the unit of measure, the cost, the vendor name,

6   and other attributes that the user can define. So there's a

7   set of things that must be there like vendor name and cost and

8   unit of measure, and there's also, as we're going to see later,

9   there's some user defined fields so the user can put in

10   information that the user thinks is important about the

11   particular item.

12   Q   Did it also have commodity and classifications codes?

13   A   Oh, that's right, it can. There's special place for

14   UNSPSC codes, and there's programs to load that information.

15   Q   Refresh the jury, if you would again, on what a commodity

16   classification code is at a high level, if you would?

17   A   Yes. So using these UNSPSC codes, these are eight-digit

18   codes. When you use all eight digits, it is a classification

19   for items that are generally equivalent or substitutable. So

20   it's a way of finding similar items.

21   Q   So this various data points, data information that you

22   just identified, item number and item description and unit of

23   measure and pricing, are all those -- that type of data and

24   information consistent or inconsistent with the Court's

25   construction of an associated -- or, excuse me, organized

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1   Q   And were you able, using the UNSPSC, to find items that

2   were similar, generally equivalent?

3   A   Yes, I converted that ThinkPad into a Dell.

4   Q   Thank you. Doctor, I'd like you to take a look at

5   Plaintiff's Exhibit 280, and can you identify what this

6   document is?

7   A   This is the Lawson Software response to Presbyterian

8   Healthcare Services.

9   Q   So this is another one of those responses to an RFP?

10   A   That's correct.

11   Q   And what is it dated?

12   A   March 22nd, 2005.

13   Q   And if you could take a look at the page that begins with

14   barcode 196, if you would, sir. And here -- which has a Bates

15   number that ends 848.

16   A   Yes, I'm there.

17   Q   And here Presbyterian Hospital, in this -- here Lawson, in

18   this response to the request for proposal from the Presbyterian

19   Healthcare Services, is ask asking about requisitioning

20   capability from Lawson; is that right?

21   A   Yes. That's exactly what it says.

22   Q   And it says in the requisitioning capability, it's asking

23   to describe your ordering tools for various types of items,

24   stock, nonstock, and non-catalogs; do you see that?

25   A   Mike, it is below there. There it is.

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2   (The proceedings were adjourned at 5:15 p.m.)

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